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February 8, 2006

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: Docket WC 06-35; Amendment to Application for
Consent to Transfer Control of International and Domestic Carrier

Dear Ms. Dortch:

On January 24, 2006, Zone Telecom, Inc. filed an Application for Consent to Transfer Control of International and Domestic Carrier ("Application") regarding the proposed purchase of certain assets of Strategic Alliance Management, Inc. As discussed with Commission staff, Zone Telecom, Inc. hereby amends the Application to provide the attached revised exhibits to the Application. The attached materials are meant to replace the corresponding materials submitted with the original Application and include additional ownership information with respect to Zone Telecom, Inc.

Please direct questions regarding this filing to the undersigned.

Sincerely,



Thomas K. Crowe
Gregory E. Kunkle*,
Counsel for Zone Telecom, Inc.

Attachments

* Admitted only in Virginia. Practice limited to federal communications matters.

Zone Telecom, Inc.
February 8, 2006

Answer to Question 10

Please direct all questions regarding any party to the instant notification to:

For Zone Telecom, Inc.:

Gregory E. Kunkle
Legal Counsel
Law Offices of Thomas K. Crowe, P.C.
1250 24th St., N.W.
Suite 300
Washington, D.C. 20037
Phone: 202-263-3640

For Strategic Alliance Management, Inc.:

Law Offices of Blackburn Stoll LC
257 East 200 South, Suite 800
Salt Lake City, UT 84111
Attn: Stan Stoll, Attorney
Phone: 801-521-7900

Zone Telecom, Inc. was granted authority to operate as a facilities-based carrier in accordance with the provisions of Section 63.18(e)(1) of the rules and also to provide service in accordance with the provisions of Section 63.18(e)(2) of the rules on August 11, 2000 (File No. ITC-214-20000717-00403).

Strategic Alliance Management, Inc. was granted authority to operate as a facilities-based carrier in accordance with the provisions of Section 63.18(e)(1) of the rules and also to provide service in accordance with the provisions of Section 63.18(e)(2) of the rules on May 17, 2002 (File No. ITC-214-20020215-00086).

Answer to Question 11

1. Ownership in Zone Telecom, Inc.

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in Zone Telecom, Inc.:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
ZONE Global Limited c/o 3705 Gloucester Tower The Landmark 11 Pedder Street Central, Hong Kong	100%	British Virgin Islands	Holding Company

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in ZONE Global Limited:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
Cyberman Limited c/o 3705 Gloucester Tower The Landmark 11 Pedder Street Central, Hong Kong	100%	British Virgin Islands	Holding Company

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in Cyberman Limited:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
e-Kong Pillars Holdings Limited	100%	British Virgin Islands	Holding Company

c/o
 3705 Gloucester Tower
 The Landmark
 11 Pedder Street
 Central, Hong Kong

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in e-Kong Pillars Holdings Limited:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
e-Kong Group Limited c/o 3705 Gloucester Tower The Landmark 11 Pedder Street Central, Hong Kong	100%	Bermuda	Holding Company

The following entities currently hold a ten percent (10%) or greater direct ownership interest in e-Kong Group Limited:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
Goldstone Trading Limited c/o Unit C, 26/F. CNT Tower 338 Hennessy Road Wanchai, Hong Kong	20.9%	British Virgin Islands	Investment Holding
Great Wall Holdings Limited c/o Room 402 Hung Kei Mansion 5-8 Queen Victoria Street Central, Hong Kong	14.4%	Niue	Investment Holding
Future (Holdings) Limited Unit C, 26/F. CNT Tower 338 Hennessy Road Wanchai, Hong Kong	14.4%	Saint Lucia	Investment Holding

In addition, the following individuals currently hold a ten percent (10%) or greater attributable ownership interest in Zone Telecom, Inc. through an attributable ownership interest (direct and/or indirect) in e-Kong Group Limited:

<u>Name/Address</u>	<u>% Ownership</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
Richard John Siemens 3705 Gloucester Tower The Landmark 11 Pedder Street Central, Hong Kong	21.4% ¹	Canada	Company Director
William Bruce Hicks House No. 2 Henderson Road Jardine's Lookout Hong Kong	15% ²	Canada	Company Director
Kuldeep Saran 3705 Gloucester Tower The Landmark 11 Pedder Street Central, Hong Kong	14.4% ³	India	Company Director

No other entities or individuals hold a ten percent (10%) or greater attributable ownership interest in e-Kong Group Limited or Zone Telecom, Inc.

2. Ownership in Strategic Alliance Management, Inc.

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in Strategic Alliance Management, Inc.:

¹ 21.4% ownership interest attributed as follows: 20.9% indirect ownership interest through controlling interest in Goldstone Trading Limited; .5% indirect ownership interest through controlling interest in Siemens Enterprises Limited, a Hong Kong investment holding company with an address of Unit C, 26/F., CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong. Siemens Enterprises Limited holds a .5% direct ownership interest in e-Kong Group Limited.

² 15% ownership interest attributed as follows: 14.4% indirect ownership interest through controlling interest in Great Wall Holdings Limited; .6% indirect ownership interest through shares held personally in e-Kong Group Limited.

³ 14.4% ownership interest attributed as follows: 14.4% indirect ownership interest through controlling interest in Future (Holdings) Limited; *de minimis* (i.e., less than .1%) indirect ownership interest through shares held personally in e-Kong Group Limited.

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
SAMMM International, LLC 100% 9615 S 700 E Sandy, UT 84070		Nevada	Telecommunications

The following individuals or entities currently hold a ten percent (10%) or greater ownership interest in SAMMM International, LLC:

<u>Name/Address</u>	<u>% of Shares</u>	<u>Citizenship/ Country of Incorporation</u>	<u>Principal Occupation/ Business</u>
Matthew Lewis PO Box 316 Spring City, Utah	33%	U.S.	Student
Michelle Lewis PO Box 316 Spring City, Utah	33%	U.S.	Student
Michael Lewis PO Box 316 Spring City, Utah	33%	U.S.	Student

Answer to Question 13

By the instant application, Zone USA, Inc. (d/b/a Zone Telecom, Inc.) (“Zone Telecom, Inc.”), a Delaware corporation and 214 authorized carrier, requests Commission approval to acquire control of certain assets of Strategic Alliance Management, Inc. (“SAM”), a Nevada corporation and 214 authorized carrier.

SAM, which was granted 214 authority under Section 63.18(e)(1) and Section 63.18(e)(2) of the Commission’s rules on May 17, 2002 (File No. ITC-214-20020215-00086) operates in conjunction with certain affiliates (together “WRLD”), including Central Utah Communications Leasing, LC (“CUCL”), to provide wholesale resold international and domestic telecommunications service under the “WRLD” brand. On January 16, 2006, Zone Telecom, Inc. and WRLD entered into an Asset Purchase and Sale Agreement (“Agreement”) whereby Zone Telecom, Inc. agreed to purchase, and WRLD agreed to sell, the assets used in the provision of such wholesale service, including all wholesale customer accounts and all underlying carrier accounts held by SAM. Under the Agreement, Commission approval must occur prior to consummation of the transaction.

As Zone Telecom, Inc. is authorized to provide service under Section 63.18(e)(1) and Section 63.18(e)(2) of the Commission’s rules (granted August 11, 2000 in File No. ITC-214-20000717-00403), the parties do not request assignment or transfer of control of SAM’s 214 authority. SAM requests authority to continue to operate under its international Section 214 authority granted in File No. ITC-214-20020215-00086 after consummation.

As only wholesale services are at issue, no end user customers will be transferred under the transaction contemplated in the Agreement. Please note that a separate application is being filed to request authority to transfer certain assets from CUCL to Zone Telecom, Inc. in connection with the transaction described herein.

Answer to Question 14

Zone Telecom, Inc. is affiliated with foreign carriers in Hong Kong and Singapore.

Answer to Question 15

Two affiliates of Zone Telecom, Inc. are foreign carriers in a destination country to which Zone Telecom, Inc. is authorized to provide service. This status will not change after grant of the application. The foreign carriers are:

ZONE Limited (Hong Kong)
ZONE Telecom Pte Ltd. (Singapore)

Answer to Question 16

Zone Telecom, Inc. request classification as “non-dominant” between the U.S. and Hong Kong and between the U.S. and Singapore. Zone Telecom, Inc. is not affiliated with a monopoly provider of communications services in any of the markets identified in response to Questions 14 and 15 (or any other market). Neither ZONE Limited nor ZONE Telecom Pte Ltd. controls 50 percent market share in the international transport and the local access markets on the foreign end of the applicable U.S.-international route. *See* 47 C.F.R. § 63.10(a)(3). ZONE Telecom Pte Ltd. holds a “Service-Based” license to provide service in Singapore (as opposed to a “Facilities-Based” license) while ZONE Limited holds a Public Non-Exclusive Telecommunications Service License to provide service in Hong Kong. In addition, although not dispositive of the issue, Zone Telecom, Inc. believes it to be further illustrative that Pacific Century CyberWorks HKT (Hong Kong) and Singapore Telecom (Singapore), carriers unaffiliated with Zone Telecom, Inc., are currently presumed by the Commission to possess market power in their respective foreign markets. *See* The International Bureau Revises and Reissues the Commission’s List of Foreign Telecommunications Carriers that Are Presumed to Possess Market Power in Foreign Telecommunications Markets, *Public Notice*, DA 04-1584, May 28, 2004.

In addition, Zone Telecom, Inc. provides international service to Hong Kong and Singapore solely through the resale of an unaffiliated U.S. facilities-based carrier's international switched services. *See* 47 C.F.R. § 63.10(a)(4).

Answer to Question 20

Zone Telecom, Inc. requests streamlined processing of the application. Zone Telecom, Inc. qualifies for streamlined processing as it qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission’s rules as detailed in the Answer to Questions 16, *supra*. *See* 47 C.F.R. § 63.12(c)(1)(ii). In addition, Zone Telecom, Inc. qualifies for streamlined

processing as both Hong Kong and Singapore are WTO Member countries and Zone Telecom, Inc. qualifies for a presumption of non-dominance under Section 63.10(a)(4) of the Commission's rules as detailed in the Answer to Questions 16, *supra*. See 47 C.F.R. § 63.12(c)(1)(iv).

DOMESTIC SUPPLEMENT TO
APPLICATION FOR CONSENT TO TRANSFER CONTROL
OF ASSETS OF INTERNATIONAL AND DOMESTIC CARRIER

Pursuant to 47 C.F.R. § 63.04 (b) (2005), the following information is supplied in connection with the attached Application for Consent to Transfer Control of Assets of International and Domestic Carrier and, together with the information contained therein, is intended to fulfill the requirements for application to transfer of control of assets of a domestic carrier.

(6) Description of the transaction:

By the instant application, Zone USA, Inc. (d/b/a Zone Telecom, Inc.) (“Zone Telecom, Inc.”), a Delaware corporation and 214 authorized carrier, requests Commission approval to acquire control of certain assets of Strategic Alliance Management, Inc. (“SAM”), a Nevada corporation and 214 authorized carrier.

SAM operates in conjunction with certain affiliates (together “WRLD”), including Central Utah Communications Leasing, LC (“CUCL”), to provide wholesale resold international and domestic telecommunications service under the “WRLD” brand. On January 16, 2006, Zone Telecom, Inc., WRLD and certain other companies entered into an Asset Purchase and Sale Agreement (“Agreement”) whereby Zone Telecom, Inc. agreed to purchase, and WRLD agreed to sell, the assets used in the provision of such wholesale service, including all underlying carrier accounts and all wholesale customer accounts. Under the Agreement, Commission approval must occur prior to consummation of the transaction.

(7) A description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

SAM provides wholesale interexchange service throughout the U.S. Zone Telecom, Inc. provides wholesale and retail interexchange service throughout the U.S. Neither company provides switched local exchange service.

(8) A statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:

Since Zone Telecom, Inc., as transferee, ultimately stands to gain less than a 10 percent market share in the interstate, interexchange market, provides services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to this transaction and neither Zone Telecom, Inc. nor SAM is dominant with respect to any service, this application is appropriate for streamlined treatment pursuant to 47 C.F.R. § 63.03 (b)(2).

(9) Identification of all other Commission applications related to the same transaction:

The attached Application for Consent to Transfer Control of Assets of International and Domestic Carrier has been submitted in connection with this application. In addition, an application for transfer of control has been submitted with respect to the transaction as it relates to CUCL.

(10) A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:

Not applicable.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:

Not applicable.

(12) A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:

Consummation of the proposed transaction will serve the public interest in promoting competition in the international and domestic telecommunications market by providing Zone Telecom, Inc. the opportunity to strengthen its competitive position by combining SAM's resources with Zone Telecom, Inc.'s services, products and expertise. Zone Telecom, Inc.'s operations will more readily increase in size and profitability, due to enhanced economies of scale. Accordingly, the proposed acquisition will benefit consumers through improved services and lower rates, thereby promoting competition in the international and domestic telecommunications market.

Given the Commission's desire to foster competition in the international and domestic telecommunications services market, grant of the proposed transaction is in the public interest.